

SAN BENITO COUNTY ECONOMIC FORECAST

San Benito County is located in the Coast Range Mountains of Central California. Compared to other California counties, San Benito has one of the highest rates of workers who commute to other counties for work. Most of these individuals are employed in Santa Clara County.

San Benito County has a population of 58,000 people and a total of 16,500 wage and salary jobs. The income per capita in San Benito County is \$46,160 and the average salary per worker is \$55,242.

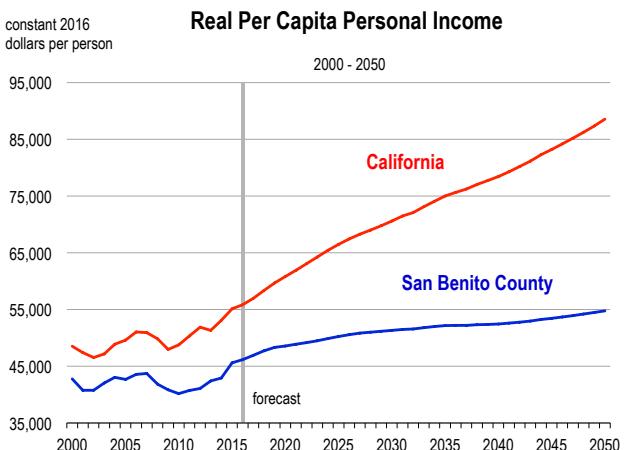
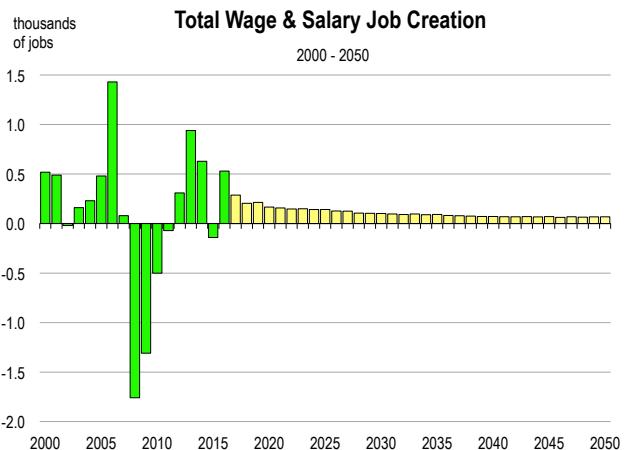
In 2016, total wage and salary employment increased by 530 jobs in San Benito County, representing a decline of 3.3 percent. The unemployment rate improved substantially, falling from 7.6 percent in 2015 to 6.8 percent in 2016.

During 2016, the largest employment increases were observed in agriculture (+170 jobs), construction (+120 jobs), healthcare and education (+50 jobs), and professional and business services (+40 jobs). Meaningful losses were not observed in any major sector.

Between 2011 and 2016, the population of San Benito County grew at an annual average rate of 0.7 percent. This growth was due largely to the natural increase (new births), as net migration was flat.

FORECAST HIGHLIGHTS

- Total wage and salary employment will increase by 1.7 percent in 2017, and by an average of 1.0 percent per year over the 2017-2022 period.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In San Benito County, inflation-adjusted salaries will increase at an annual rate of 1.8 percent between 2017 and 2022.
- Between 2017 and 2022, the principal employment growth will occur in wholesale and retail trade, education and healthcare, leisure and hospitality, manufacturing, and government. These sectors will account for 96 percent of net job creation in the county.
- The population is expected to rise by 0.8 percent in 2017. Annual growth in the 2017-2022 period will average 0.9 percent.
- Over the next five years, an average of 64 net migrants will enter the county each year, accounting for only 12 percent of total population growth. The majority of all population growth will occur through the natural increase (new births).

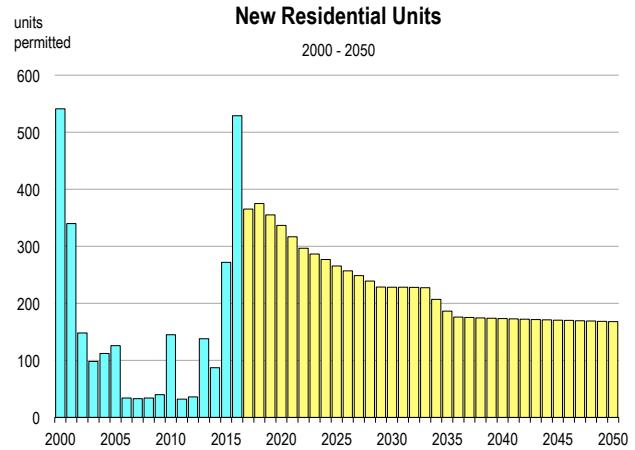
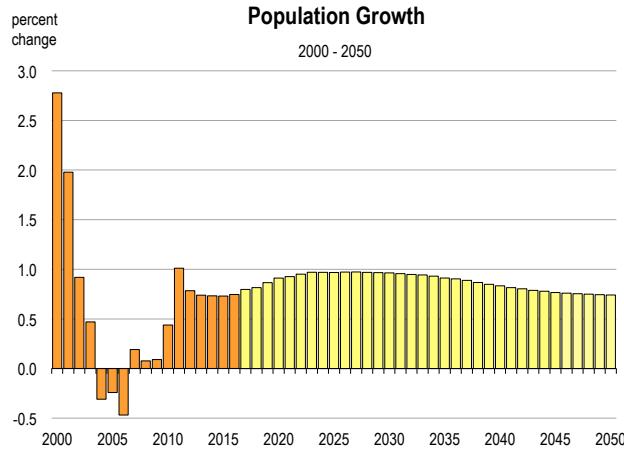


- Real income per capita is projected to increase by 1.6 percent in 2017, and by an average of 0.9 percent annually over the following five years.
- Total taxable sales, adjusted for inflation, will increase by an average of 2.1 percent per year between 2017 and 2022.
- Industrial production is expected to increase by 4.2 percent in 2017. Between 2017 and 2022, industrial production will rise by an average of 2.2 percent per year.
- Farm production is expected to increase by 0.7 percent per year between 2017 and 2022. The principal crops in the county are lettuce, bell peppers, spinach, and grapes.

San Benito County Economic Forecast

2010-2016 History, 2017-2050 Forecast

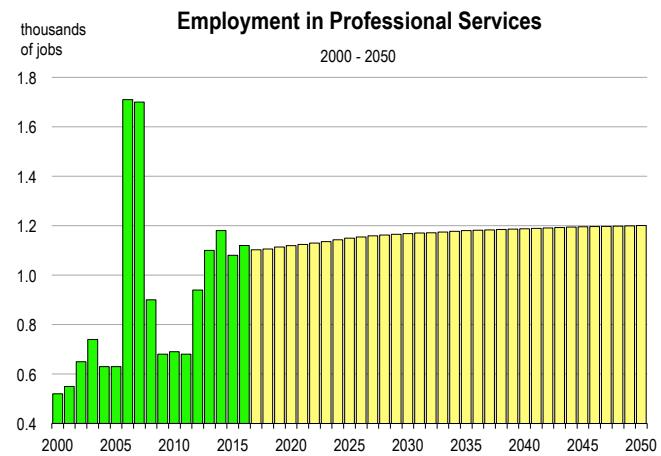
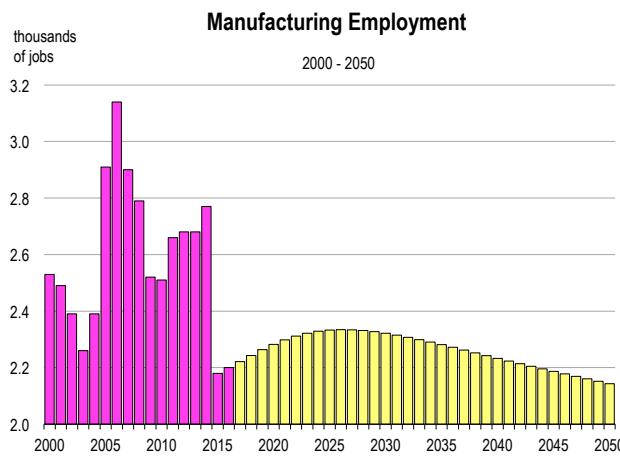
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	55,335	-197	55.6	16.8	145	\$0.45	\$1.98	\$40,175	1.3	287.4	575	15.1
2011	55,894	66	55.8	16.8	32	\$0.49	\$2.08	\$40,732	2.7	288.7	571	14.5
2012	56,333	0	56.1	17.1	36	\$0.53	\$2.16	\$41,105	2.7	319.2	615	13.1
2013	56,750	0	58.2	17.2	138	\$0.56	\$2.28	\$42,407	2.3	349.1	654	11.1
2014	57,166	0	59.8	17.2	87	\$0.56	\$2.37	\$42,933	2.8	340.7	696	9.3
2015	57,584	0	62.0	17.4	272	\$0.61	\$2.57	\$45,595	2.6	368.8	567	7.6
2016	58,014	0	64.7	17.5	529	\$0.63	\$2.68	\$46,160	3.0	378.6	585	6.8
2017	58,477	20	65.2	17.8	365	\$0.66	\$2.83	\$46,919	3.1	384.1	609	6.2
2018	58,954	25	65.7	18.1	375	\$0.70	\$2.98	\$47,708	3.0	388.2	622	6.0
2019	59,464	50	66.4	18.5	355	\$0.74	\$3.13	\$48,345	2.6	391.3	635	5.8
2020	60,006	75	67.0	18.8	337	\$0.77	\$3.26	\$48,577	3.1	393.8	651	5.9
2021	60,562	80	67.7	19.2	317	\$0.81	\$3.40	\$48,873	3.0	395.8	664	6.1
2022	61,138	90	68.5	19.5	297	\$0.84	\$3.55	\$49,180	3.0	397.5	680	6.2
2023	61,732	100	69.3	19.8	286	\$0.88	\$3.70	\$49,483	3.0	399.0	697	6.5
2024	62,330	100	70.1	20.0	277	\$0.92	\$3.86	\$49,869	2.9	400.3	713	6.7
2025	62,934	100	71.0	20.3	265	\$0.97	\$4.02	\$50,244	2.9	401.5	725	6.8
2026	63,545	100	71.9	20.6	257	\$1.01	\$4.18	\$50,561	2.8	402.7	737	6.8
2027	64,164	100	72.9	20.8	249	\$1.05	\$4.34	\$50,856	2.9	403.8	751	6.9
2028	64,786	100	73.9	21.1	239	\$1.09	\$4.50	\$51,016	2.7	404.8	767	6.9
2029	65,412	100	74.9	21.3	229	\$1.13	\$4.66	\$51,175	2.5	405.8	783	6.9
2030	66,043	100	75.9	21.5	228	\$1.18	\$4.83	\$51,330	2.4	406.8	799	6.9
2031	66,675	95	77.0	21.8	228	\$1.22	\$4.99	\$51,497	2.3	407.8	815	6.9
2032	67,307	90	78.1	22.0	228	\$1.27	\$5.16	\$51,554	2.5	408.8	831	6.8
2033	67,942	85	79.3	22.2	227	\$1.32	\$5.34	\$51,814	2.1	409.8	848	6.8
2034	68,575	80	80.4	22.4	207	\$1.37	\$5.52	\$52,002	2.3	410.7	864	6.8
2035	69,200	75	81.6	22.6	186	\$1.43	\$5.71	\$52,170	2.4	411.7	881	6.8
2036	69,826	75	82.8	22.8	176	\$1.48	\$5.91	\$52,200	2.8	412.6	898	6.8
2037	70,446	75	83.9	23.0	175	\$1.53	\$6.13	\$52,218	2.9	413.6	915	6.8
2038	71,057	75	85.0	23.2	174	\$1.59	\$6.35	\$52,326	2.7	414.5	933	6.8
2039	71,661	75	86.1	23.3	174	\$1.65	\$6.58	\$52,375	2.9	415.4	951	6.8
2040	72,258	75	87.2	23.5	173	\$1.71	\$6.82	\$52,451	2.8	416.3	969	6.8
2041	72,847	75	88.3	23.7	173	\$1.77	\$7.06	\$52,602	2.6	417.2	988	6.8
2042	73,433	75	89.3	23.9	172	\$1.83	\$7.31	\$52,777	2.5	418.0	1007	6.8
2043	74,012	75	90.4	24.0	172	\$1.90	\$7.55	\$52,978	2.4	418.9	1027	6.8
2044	74,588	75	91.4	24.2	171	\$1.96	\$7.81	\$53,259	2.2	419.7	1047	6.8
2045	75,160	75	92.4	24.4	170	\$2.03	\$8.07	\$53,460	2.4	420.6	1068	6.8
2046	75,731	75	93.4	24.6	170	\$2.09	\$8.34	\$53,697	2.3	421.4	1089	6.8
2047	76,302	75	94.3	24.7	169	\$2.16	\$8.62	\$53,928	2.3	422.2	1111	6.8
2048	76,875	75	95.3	24.9	169	\$2.24	\$8.91	\$54,196	2.3	423.0	1133	6.8
2049	77,447	75	96.3	25.1	168	\$2.31	\$9.21	\$54,469	2.3	423.8	1156	6.8
2050	78,021	75	97.2	25.2	168	\$2.39	\$9.52	\$54,764	2.3	424.5	1179	6.8

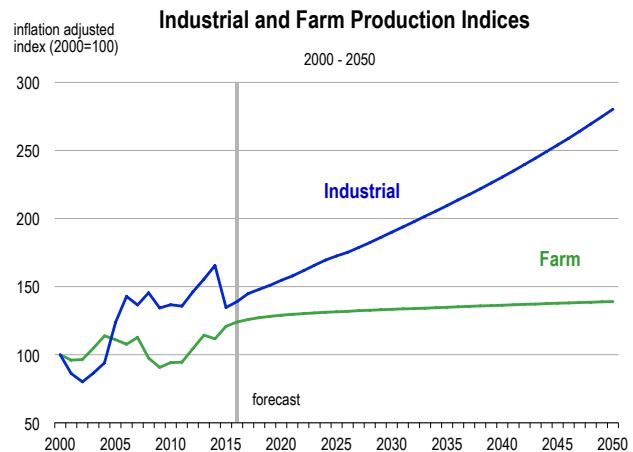
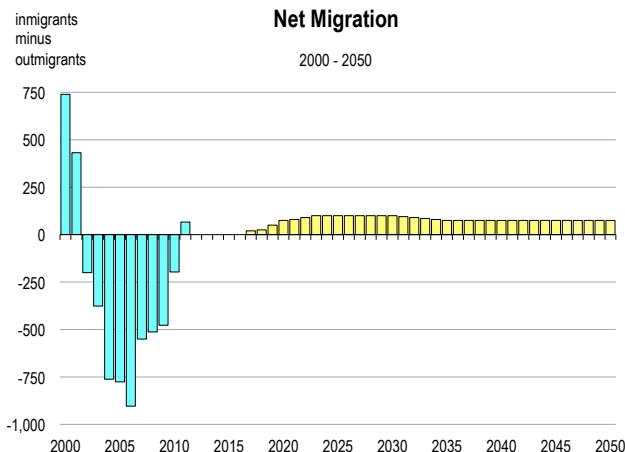
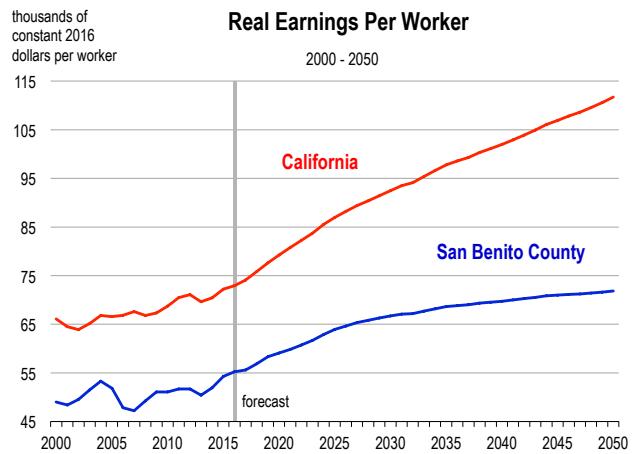
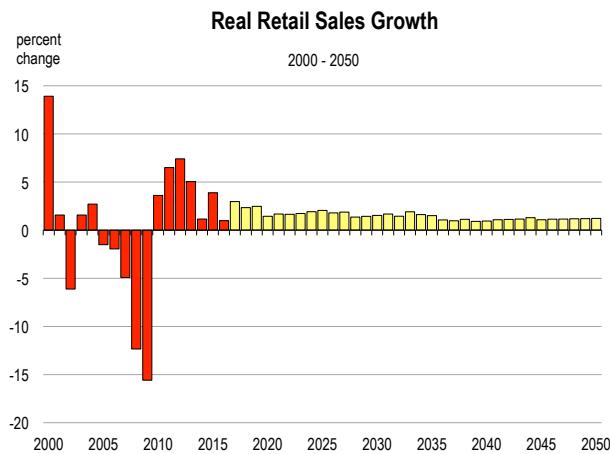


San Benito County Employment Forecast

2010-2016 History, 2017-2050 Forecast

Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government	
-----employment (thousands of jobs)-----												
2010	14.32	1.63	0.81	2.51	0.30	2.38	0.30	0.69	0.10	1.09	1.12	2.99
2011	14.25	1.59	0.73	2.66	0.28	2.47	0.30	0.68	0.10	1.06	1.08	2.85
2012	14.56	1.54	0.72	2.68	0.29	2.59	0.30	0.94	0.10	1.10	1.19	2.71
2013	15.50	1.68	0.82	2.68	0.43	2.74	0.38	1.10	0.10	1.20	1.23	2.74
2014	16.13	1.78	0.89	2.77	0.45	2.86	0.38	1.18	0.10	1.29	1.25	2.80
2015	15.99	1.78	1.06	2.18	0.49	3.02	0.38	1.08	0.10	1.38	1.27	2.85
2016	16.52	1.95	1.18	2.20	0.52	3.02	0.39	1.12	0.11	1.43	1.31	2.88
2017	16.81	1.95	1.20	2.22	0.54	3.10	0.39	1.10	0.11	1.48	1.34	2.94
2018	17.01	1.94	1.21	2.24	0.55	3.17	0.39	1.11	0.11	1.54	1.35	2.95
2019	17.23	1.94	1.22	2.26	0.56	3.24	0.39	1.11	0.11	1.60	1.37	2.98
2020	17.39	1.94	1.20	2.28	0.56	3.29	0.39	1.12	0.11	1.66	1.39	2.99
2021	17.55	1.94	1.18	2.30	0.57	3.34	0.39	1.12	0.11	1.71	1.41	3.01
2022	17.70	1.94	1.16	2.31	0.57	3.39	0.39	1.13	0.11	1.76	1.44	3.03
2023	17.85	1.94	1.15	2.32	0.57	3.43	0.39	1.14	0.12	1.81	1.46	3.06
2024	17.99	1.94	1.13	2.33	0.57	3.47	0.39	1.14	0.12	1.86	1.48	3.09
2025	18.13	1.94	1.11	2.33	0.58	3.51	0.39	1.15	0.12	1.91	1.49	3.12
2026	18.26	1.94	1.10	2.33	0.58	3.54	0.39	1.15	0.12	1.96	1.51	3.15
2027	18.39	1.94	1.09	2.33	0.58	3.58	0.39	1.16	0.12	2.00	1.52	3.18
2028	18.49	1.94	1.08	2.33	0.58	3.61	0.39	1.16	0.12	2.04	1.54	3.20
2029	18.59	1.94	1.06	2.33	0.58	3.64	0.40	1.17	0.12	2.09	1.55	3.22
2030	18.70	1.94	1.05	2.32	0.59	3.66	0.40	1.17	0.12	2.13	1.57	3.24
2031	18.79	1.94	1.04	2.32	0.59	3.69	0.40	1.17	0.12	2.16	1.59	3.26
2032	18.88	1.94	1.03	2.31	0.59	3.72	0.40	1.17	0.12	2.20	1.61	3.28
2033	18.98	1.94	1.03	2.30	0.59	3.74	0.40	1.17	0.12	2.23	1.62	3.31
2034	19.07	1.94	1.03	2.29	0.60	3.77	0.40	1.18	0.12	2.25	1.64	3.33
2035	19.16	1.94	1.02	2.28	0.60	3.79	0.40	1.18	0.12	2.28	1.66	3.35
2036	19.25	1.94	1.02	2.27	0.60	3.82	0.40	1.18	0.13	2.31	1.68	3.37
2037	19.32	1.95	1.02	2.26	0.60	3.84	0.39	1.18	0.13	2.32	1.70	3.39
2038	19.40	1.95	1.02	2.25	0.60	3.86	0.39	1.18	0.13	2.34	1.71	3.42
2039	19.47	1.95	1.02	2.24	0.61	3.88	0.39	1.19	0.13	2.35	1.73	3.44
2040	19.54	1.95	1.02	2.23	0.61	3.89	0.39	1.19	0.13	2.36	1.75	3.46
2041	19.61	1.95	1.02	2.22	0.61	3.91	0.39	1.19	0.13	2.37	1.77	3.49
2042	19.68	1.95	1.02	2.21	0.61	3.93	0.39	1.19	0.13	2.38	1.79	3.51
2043	19.75	1.95	1.02	2.20	0.62	3.95	0.39	1.19	0.13	2.39	1.80	3.53
2044	19.82	1.95	1.02	2.20	0.62	3.96	0.39	1.19	0.13	2.40	1.82	3.55
2045	19.89	1.95	1.02	2.19	0.62	3.98	0.39	1.20	0.13	2.41	1.84	3.58
2046	19.95	1.95	1.02	2.18	0.62	4.00	0.39	1.20	0.13	2.42	1.86	3.60
2047	20.02	1.95	1.02	2.17	0.62	4.01	0.39	1.20	0.13	2.43	1.88	3.62
2048	20.09	1.95	1.02	2.16	0.63	4.03	0.39	1.20	0.13	2.43	1.90	3.65
2049	20.15	1.95	1.02	2.15	0.63	4.05	0.39	1.20	0.13	2.44	1.92	3.67
2050	20.22	1.95	1.02	2.14	0.63	4.07	0.39	1.20	0.13	2.45	1.94	3.70





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	9.9%
Expected job growth:	5.3%
Fastest growing jobs sector:	Health & Education
Expected personal income growth:	9.6%

Expected population growth:	4.6%
Net migration to account for:	12.0%
Expected growth in number of vehicles:	5.0%

Demographics (2017)

Unemployment rate (April 2017):	6.1%
County rank* in California (58 counties):	35th
Working age (16-64) population:	64.8%

Population with B.A. or higher:	19.1%
Median home selling price (2016):	\$497,000
Median household Income:	\$79,801

Quality of Life

Violent crime rate (2015):	302 per 100,000 persons
County rank* in California (58 counties):	21st
Average commute time to work (2017):	34 minutes

High School drop out rate (2016):	7.0%
Households at/below poverty line (2017):	8.8%

* The county ranked 1st corresponds to the lowest rate in California